



Dynamic Global Holdings Limited

環球動力控股有限公司

(Incorporated in Bermuda with limited liability)

CONNECTED TRANSACTION

The Directors announce that on 26 February 2004, the Company entered into a management services agreement with Gree Group (HK) Limited, a substantial shareholder of the Company as defined by the Listing Rules, whereby the Gree Group will provide management services and secondment of staff to the Company as directors or other management positions in the Company for a Management Fee under the Agreement.

The Gree Group is interested in approximately 20.60% of the issued share capital of the Company through its wholly owned subsidiary, Gree Group (HK) Limited. Accordingly Gree Group and its associates are connected persons of the Company as defined under the Listing Rules. Since the Gree Group became a substantial shareholder of the Company, three directors of the Company have been nominated by the Gree Group in October, November and December 2002 and they are subject to rotation in accordance with the Bye-laws of the Company as disclosed in the Company's annual report. (The other Directors are also subject to rotation in accordance with the Bye-laws of the Company.)

As the aggregate amount of the Management Fee on an annual basis is capped at HK\$5,000,000, which is less than the higher of HK\$10,000,000 or 3% of the respective net tangible assets of the Company, the Agreement falls under Rule 14.25(1) of the Listing Rules and the Company is subject to the press announcement and annual report disclosure requirements.

Reference is made to the announcement of the Company dated 15 August 2003 in relation to the Disposal of HLJ Industry, the Directors announce that the sale and purchase of 20% of the Sale Shares has been completed but the Option has not been exercised by the Purchaser up to this date.

THE MANAGEMENT SERVICES AGREEMENT

Date: 26 February 2004

Parties: Dynamic Global Holdings Limited

Gree Group (HK) Limited, a wholly owned subsidiary of the Gree Group, incorporated in Hong Kong with limited liability on 20 July 1993 and is principally engaged in trading and investment business of the Gree Group in Hong Kong.

Agreement: The Gree Group shall procure secondment of members of its staff from various subsidiaries of the Gree Group to the Company from time to time to provide management services to the Company in various areas regarding property development, finance, administration, personnel and strategies of the Company. Pursuant to the Agreement and depending on the number of seconded staff from the Gree Group each month, the Company shall pay the Gree Group a monthly Management Fee in cash. The amount of the Management Fee is based on the number and seniority of the staff being seconded to the Company from the Gree Group and is subject to approval by the Board at the end of each month. Pursuant to the Agreement, the aggregate Management Fee payable to the Gree Group within the one-year term under the Agreement shall be capped at HK\$5,000,000 per annum or HK\$416,000 per month. The Gree Group will appoint a minimum of five staff to the Company under the Agreement. (Mr. Liang Jianhua, an existing director of the Company, shall be excluded from this Agreement as Mr. Liang Jianhua has signed an individual director service contract with the Company). The cap of the Management Fee was negotiated on normal commercial terms which is based on the historical fees paid by the Company to directors and other management level personnel during the past two years and the current market cost of management personnel. Either party may terminate the Agreement by tendering a prior written notice of not less than 30 days.

Term: ONE (1) year from the date of the Agreement

REASONS FOR THE CONNECTED TRANSACTION

In normal and ordinary course of business, the Board will appoint additional directors as necessary and hire appropriate personnel to the management of the Company. In pursuit of the common business objective and capturing corporate administrative and financial supports from the Gree Group, which is well experienced in doing business in the PRC, the Board considers that the management services under the Agreement will offer appropriate and experienced personnel and human resources to the Company under a reasonable cost structure.

The Gree Group is principally engaged in electrical appliances manufacturing, natural resource trading, property development and investment business. The Gree Group does not currently provide management services to independent third parties. As the Company continues to expand its business in the PRC, the Company will require additional human resources and the Agreement will provide immediately available human resources at all levels through the network of the Gree Group.

The terms of the Agreement was negotiated on an arm's length basis on normal commercial terms and the Directors, including the independent non-executive directors, consider that the terms of the Agreement are fair and reasonable so far as the Company's shareholders as a whole are concerned.

GENERAL

The Company is an investment holding company, which is principally engaged in the investment of different business sectors, including property development and investment as well as high technology business in the PRC.

Gree Group, a substantial shareholder of the Company through its wholly owned subsidiary, Gree Group (HK) Limited, is interested in approximately 20.60% of the issued share capital of the Company. Accordingly, the Gree Group and its associates are connected persons of the Company as defined under the Listing Rules. Since the Gree Group became a substantial shareholder of the Company, three Directors (namely, Mr. Xu Rong, Liang Jianhua and Su Xixiong) have been nominated by the Gree Group

and they are subject to rotation in accordance with the Bye-laws of the Company as disclosed in the Company's annual report. (The other Directors are also subject to rotation in accordance with the Bye-laws of the Company).

The Agreement constitutes a connected transaction of the Company under Rule 14.23(1)(a) of the Listing Rules. As the aggregate Management Fee under the Agreement represents less than the higher of HK\$10,000,000 or 3% of the consolidated net tangible assets of the Company on an annual basis, the transaction is subject to disclosure requirement only under Rule 14.25(1) of the Listing Rules. Details of the transaction will be included in the next published annual report of the Company. The Company will comply with the connected transaction and other disclosure requirements under the Listing Rules as deemed necessary as long as the Agreement is in effect.

DISPOSAL OF HLJ INDUSTRY AS ANNOUNCED ON 15 AUGUST 2003

Reference is made to the announcement of the Company dated 15 August 2003 and circular to the Shareholders dated 2 September 2003 in relation to the Disposal of HLJ Industry, the Directors announce that the sale and purchase of 20% of the Sale Shares has been completed for a consideration of RMB9.0 million (approximately HK\$8.5 million). Pursuant to the New S&P Agreement, the Purchase has an option to purchase the remaining 80% of the Sale Share for a consideration of RMB29.2 million (approximately HK\$27.5 million) within a one-year period until 12 August 2004. Up to the date of this announcement, the Option has not been exercised by the Purchaser. Terms used herein shall have the same meanings as those defined in the said announcement and circular unless the context requires otherwise.

DEFINITIONS

"Agreement"	the management services agreement dated 26 February 2004 entered into between the Company and Gree Group (HK) Limited in relation to the management services provided by the Gree Group to the Company
"Board"	the board of directors of the Company
"Company"	Dynamic Global Holdings Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange
"Connected Transaction"	the connected transaction under the Agreement
"Directors"	the directors of the Company
"Gree Group"	Zhuhai Gree Group Corporation, a company incorporated in the PRC with limited liability, and its subsidiaries
"Group"	the Company and its subsidiaries
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Management Fee"	the management fee as described in this announcement pursuant to the Agreement
"PRC"	People's Republic of China
"RMB"	renminbi, the lawful currency of the PRC
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK\$"	Hong Kong dollar, the lawful currency of the Hong Kong Special Administrative Region

In this announcement, all amounts in RMB were translated into HK\$ at an exchange rate of HK\$1.00: RMB 1.06 for indication only.

By order of the Board
Dynamic Global Holdings Limited
Chen Jung Hsin
Executive Director

Hong Kong, 26 February 2004